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**COMMAND, CONTROL,  
COMMUNICATIONS, AND  
INTELLIGENCE**

**May 5, 1999**

**MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS  
CHAIRMAN OF THE JOINT CHIEFS OF STAFF  
UNDER SECRETARIES OF DEFENSE  
DIRECTOR, DEFENSE RESEARCH AND ENGINEERING  
ASSISTANT SECRETARIES OF DEFENSE  
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DIRECTOR, OPERATIONAL TEST AND EVALUATION  
ASSISTANTS TO THE SECRETARY OF DEFENSE  
DIRECTOR, ADMINISTRATION AND MANAGEMENT  
DIRECTORS OF THE DEFENSE AGENCIES**

**SUBJECT: Revision of Waiver Policy in Department of Defense Year 2000 Management Plan**

The changes attached revise the current waiver policy in the Department of Defense (DoD) Year 2000 (Y2K) Management Plan. The revised waiver policy specifies that waivers are only required "for the procurement or continued use of non-Y2K compliant products that are used in mission critical or mission essential applications beyond December 31, 1999, where date functions or date related data is used." Additional changes to the DoD Y2K Management Plan, Appendixes A and C reflect this revised policy and provide greater clarification.

My point of contact for any additional information is Mr. Walter Benesch at (703) 602-0983 ext 129, email: beneschw@osd.pentagon.mil.

  
**Arthur L. Money**  
Senior Civilian Official

**Attachment**



**Recommended Modification and Additions  
Related to Current Waiver Policy In  
The DoD Y2K Management Plan**

**Waiver References in the DoD Y2K Management Plan**

**Base Plan Paragraph 5.4:** p. 11 The DoD Deputy CIO shall:

Determine waivers granted for the procurement of non-Y2K compliant products.

**Change:**

- Approve on a limited basis, waivers for the procurement or continued use of non-Y2K compliant products that are used in mission critical or mission essential applications beyond December 31, 1999 (see Appendix E, paragraph E.2) where date functions or date related data is used.

**Appendix A, Change to p. 16**

- Waivers must be obtained for the continued use or procurement of any non-Y2K compliant hardware, software, or firmware, including COTS/GOTS that is used in mission critical or mission essential systems or applications where the duration of use is expected to extend past December 31, 1999.
- (see Appendix E, paragraph E.2). Waivers are also required for newly developed mission critical or mission essential systems that are not Y2K compliant or contain non-Y2K compliant COTS/GOTS and will be delivered in a non-compliant state after December 31, 1999. These waivers may be requested by Component memorandum to the OASD(C3I). Waivers are not necessary for non-Y2K compliant applications or programs in which there is no time or date calculation or data exchange that impacts the basic operation of the mission critical or mission essential system.

**Appendix E, Change to p. 2**

Contracts should have references to the FAR Part 39 finalized in August 1997. New contracts written after August 1997 must reference the FAR and allow purchase of Y2K compliant items only. Modification of existing contracts to require Y2K compliance for IT and date chips is required before that contract can be used to procure information technology unless the required waivers have been obtained from ASD(C3I). Existing contracts which do not reference FAR Part 39 but do contain language that requires the vendor to provide material that meets operation performance requirements beyond December 31, 1999, need not be modified to include the FAR Part 39 clause.

## **E.2      WAIVERS**

All mission critical and mission essential support procured products and services are required to be Y2K compliant. This includes systems, software, hardware, firmware, embedded chip systems, and infrastructure equipment/supplies. Waivers are required in cases where a mission critical or mission essential operation will continue to use non-Y2K compliant products beyond December 31, 1999, when date functions or date related data is used/processed. Non-Y2K compliant products may only be obtained or continued to be used for mission critical and mission essential operation through a waiver of this requirement. Waivers are not required for non-Y2K compliant applications or programs in which there is no time or date calculation, where year data exchange does not impede or interfere with the basic operation of the mission critical or mission essential system and those systems may be considered compliant. Waiver requests are to be addressed to the OSD Y2K Oversight and Contingency Planning Office. Waivers are being granted based upon the justification provided by the requester, with the following conditions: All Y2K non-compliant products will be replaced with Y2K compliant products, and the Y2K compliant products will be installed for every customer at no additional cost to the Government.

- Y2K compliant replacement products will be installed and tested for each customer no later than the close of the first quarter of calendar year 2000 unless a temporary fix is in place or where the product(s) have no impact on the execution of the mission.  
All customers will be advised that they are receiving a Y2K non-compliant product that will be replaced and tested at no additional cost to them no later than the first quarter of calendar year 2000. If a temporary fix is in place customers will be notified when a permanent fix (full four-digit year representation) will be installed which must occur before January 1, 2002. Exceptions to the January 1, 2002, requirement are systems, which cannot be changed, fixed or modified, e.g. GPS satellites, archival data and other systems or data which are impossible to modify and have work-a-rounds in operation.
- The Program Manager will maintain a configuration control log that shows where these Y2K non-compliant products have been installed, and is responsible to orchestrate the replacement of non-compliant products by working with the appropriate contracting office or service agency to ensure that it is completed within the time specified above.

Waivers will not be considered for interface issues. Interface issues must be resolved in a Memorandum of Agreement between interfacing system program offices.

Y2K compliance for DoD purposes include the compliance of all interfaces even if a contractor will not agree that its product will be compliant at all interfaces.

Waiver requests for systems (excluding infrastructure waivers) must contain the following information:

- The rationale for why you feel a waiver is justified (e.g.: cost, non-availability of products, legacy system due for immediate replacement, etc.)
- What has been done thus far and why you are prevented from becoming Y2K compliant
- How your contingency plans cover possible non functioning of the system(s) or program requesting a waiver
- What is testing plan(s) (past and future) for the contingency plan alternative(s)

- The number of interfaces with other mission critical systems (the program manager must be able to produce a complete listing of the interfaces upon request from OSD)
- If it is considered a legacy system, date of replacement is not to exceed January 1, 2002.

Waiver requests for infrastructure should include the following:

- The rationale for why you feel a waiver is justified (e.g.: cost, non-availability of products, etc.)
- Workarounds that will be implemented and test results of workarounds
- If due to vendor(s), cite vendor and provide details

Program managers or contracting offices are to provide their Component Y2K point of contact and the OASD (C31) Y2K Oversight Office an anticipated date of compliance, and therefore when actual compliance is achieved for any product or system that is granted a waiver.